

mixing carbon dioxide gas with air to form a carbon dioxide-air mixture, said carbon dioxide-air mixture containing about 7.5 % to about 10% by volume carbon dioxide gas;

5 aerosolizing said drug in said carbon dioxide-air mixture wherein prior to aerosolization said drug is a soluble drug dissolved in a buffered solution or water or, in the alternative, said drug is an insoluble or lipophilic drug carried by a liposome, a sterically stabilized liposome, a slow release polymer or a polycationic polymer; and

10 administering said aerosolized drug during inhalation therapy by continuously flowing said carbon-dioxide-air mixture wherein carbon dioxide in said mixture increases inhalation rate and inhaled volume of said aerosolized drug thereby increasing deposition of said aerosolized drug into the respiratory tract.

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Please add new claim 25 to read as follows:

~~15~~ ~~25.~~ (new) The method of claim 1, wherein said liposome is formed from a lipid comprising a phosphatidylcholine.

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